

Parts Manager Conversation

Collaborate with your Parts Manager to answer the following questions. Use this opportunity to share new ideas from the class and to coach your Parts Manager on how they can be implemented. Be sure to respect their expertise. **Provide your answers in a different color font.**

1. What formal parts management training does your parts manager have (for example, the NADA Academy Seminar)?
Toyota Certification.
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
Following customer and pricing sales, everyone has the same vision.
3. Have you ever tracked your First Time Fill Rate (FTFR) manually (not using the DMS or your OEM)? What is your current Repair Order FTFR?
No work fill rate manually and we have 96.82%.
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?
Internal 17.63, Warranty 28.57 and Wholesale 67%, Retail 1.18
5. What policies, controls, and security are in place on your DMS (via Privileges and/or the Exception or Deviation Reports) to prevent counter people from changing the pricing structure during daily transactions?
We have override report.
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?
Advisors with authorization of Parts manager.
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current?
Yes, and the general manager establishes it.
8. If you are in a Retail Reimbursement for Warranty state, are you at retail for warranty? If not, when was the last time you petitioned the OE for retail reimbursement?
Yes, one month.
9. Do the Parts, Service and Body Shop Managers work with the Office Manager/Controller monthly to follow up on all Work in Process (WIP) documents. Do they verify that all parts invoices and repair orders are closed out in a timely manner? What does this look like?
Yes, Process control.
10. Is the financial statement for the Parts department given to the manager and discussed on a weekly/monthly basis? If not, is a daily operating report of sales, gross profit, etc., provided to the Parts Manager for review (DOC)?
You do not see the financial statement, but you do see a sales report
11. What is your retail pricing strategy for your parts department? How often do you check to see whether your pricing goals are being achieved?
A lifetime discount is established for the customer from the sale to achieve more retention.

12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated?
It was not seen frequently but after NADA's ideas it is a topic that is being given attention.
13. Do you have a Parts online eStore? How do you ensure that parts order forms/queries are responded to in a timely manner? Who gets the email leads/questions?
No, we don't have an online store yet but we are thinking about it.
14. What sales training is available to Parts personnel? If training is available, is it mandatory? How often are sales skills assessed, tested, and refreshed?
Training is mandatory and training is provided in handling calls and objections in sales.
15. Do you have a process to offer accessories to 100% of your New and Used customers? If so, what does it look like? If not, why not?
Presentations are made with a tablet but not 100% because accessories are installed in almost all vehicles. We want to present them in 100% of the cases.
16. What would help you sell more accessories?
Social networks and 100% of presentations for cars sold.
17. Do you review your wholesale customers to see if their sales, gross, and returns justify the expense of conducting business with them? How often are they reviewed?
Yes, they are reviewed and when they are returns, they take another piece. They are all COD
18. Do you know how much each of your Part's salespeople must sell each day just to breakeven?
You look at last year and compare it with this year's forecast and the working days of each one and you know what you have to do daily.
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office?
Perpetual counting and discrepancies are archived.
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition?
If a count of two to three per person is kept daily and they are recorded either by availability or by price
21. What is the biggest obstacle to getting your Special-Order parts off the SOP shelves and installed/picked up?
Time in which the client arrives.
22. In your store, what do you feel is the biggest cause of frozen capital and/or obsolescence? What is the current dollar value of your obsolescence?
The cause may be changes in models and customer flow. in obsolescence of more than twelve months in money represents \$ 12,375.57 and 3.08%
23. What is your phase in/phase out strategy? How do you balance this strategy with factory recommended stocking guidelines (RIM, ARO, Parts Eye, etc.)?
The phase in 2/9 and phase out 3/12
24. On a scale of 1-10 (10 = expert level) what is your level of understanding of the information that is on your DMS's monthly summary?
7 wanting to learn a lot more.

25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively?

We sit down and are devising various strategies to sell more and make orders more effective. We will work on the website and on telephone training, we will begin to work on discounts for obsolete parts and the alienation of staff.